

Members

Rep. Vanessa Summers, Chair
Rep. Robert Alderman
Rep. Cleo Duncan
Rep. Dennie Oxley
Sen. Kent Adams
Sen. Allie Craycraft
Sen. Marvin Riegsecker
Sen. Connie Sipes
Hugh Beebe
Michael Carmin
Nan Daley
Herb Grulke
Donna Ott
Becky Zaseck



INDIANA COMMISSION ON AUTISM

Legislative Services Agency
200 West Washington Street, Suite 301
Indianapolis, Indiana 46204-2789
Tel: (317) 232-9855 Fax: (317) 232-2554

LSA Staff:

David Hoppmann, Fiscal Analyst for the
Commission
Ann Naughton, Attorney for the Commission

Authority: IC 12-11-7

MEETING MINUTES¹

Meeting Date: September 26, 2000
Meeting Time: 11:00 A.M.
Meeting Place: State House, 200 W. Washington St.,
Room 233
Meeting City: Indianapolis, Indiana
Meeting Number: 3

Members Present: Rep. Vanessa Summers, Chair; Rep. Dennie Oxley; Rep. Robert Alderman; Rep. Cleo Duncan; Sen. Kent Adams; Hugh Beebe; Nan Daley; Herb Grulke; Donna Ott; Becky Zaseck.

Members Absent: Sen. Allie Craycraft; Sen. Marvin Riegsecker; Sen. Connie Sipes; Michael Carmin.

I. Call to Order

Representative Summers, Chair, called the meeting to order at approximately 11:00 a.m., and immediately set the date of the next Commission meeting for October 18, 2000 at 11:00 a.m. She then instructed LSA staff to hand out a speech by Congressman Dan Burton from the last Commission meeting (Exhibit #1) as well as a position statement by the Indiana Chamber of Commerce regarding insurance coverage of Autism (Exhibit #2).

II. Shift from Institutional to Community Services

Marge Gurnik, Director, Division of Policy and Budget, FSSA gave a brief overview of the recent shift from institutional to community services by testifying to the following:

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

Shift to Community Services

- FSSA has been aggressively moving individuals with developmental disabilities into community-based settings over the last several years.
- Since 1997, over 1,500 people with developmental disabilities have moved into community-based settings or are targeted to soon begin receiving services in the community.
- Over the last four years, the shift in funding from large institutional settings to smaller group homes and community-based services is clearly visible from Medicaid expenditure data.

Expenditures

- In 1995, the State spent almost \$94M on State-operated facilities as opposed to \$66M in 1999 (a decrease of almost 30%) reflecting closures of New Castle and Northern Indiana State Developmental Centers in 1998.
- During the same time, expenditures for large private intermediate care facilities for the mentally retarded decreased from almost \$46M to \$36M, and smaller group home settings experienced increases from \$166M to \$191M.

Cost Savings

- Initially, policy makers and others believed that the above transition would result in a cost savings to the State.
- Based on an analysis by FSSA, it appears that the cost for supporting these individuals in the community is almost the same as the costs to support them in State-owned facilities.

Ms. Gurnik submitted a handout (Exhibit #2A) which describes her testimony more fully and also provides additional information regarding the following: 1) community-based waiver programs; and 2) the 317 Task Force.

III. Resolution by the House of Delegates, Indiana State Medical Association

Elizabeth Merchiers, Indiana State Medical Association addressed the Commission to give her support of a resolution passed by the House of Delegates, Indiana State Medical Association (sponsored by F. Steven Land, M.D.) endorsing efforts to require by statute health insurance coverage for children with Autism. Ms. Merchiers stated that the resolution is a prudent development in light of the increasing evidence of Autism in Indiana.

Ms. Merchiers then provided a copy of the resolution (Exhibit #3) which describes the Indiana State Medical Association's support for such efforts by the following entities: 1) Indiana Legislative Commission on Autism; 2) Indiana Resource Center for Autism; and 3) other appropriate agencies.

IV. The Health Insurance Industry

David Certo, Director of Health and Life Issues, Insurance Institute of Indiana addressed the Commission regarding insurance coverage of children with Autism. Mr. Certo testified to the following:

- The Insurance Institute of Indiana is a full-service trade association representing approximately 150 companies.
- The Insurance Institute of Indiana is against mandating the insurance coverage of

- children with Autism.
- Mandates drive up the cost of insurance for all customers.
- The State should financially assist the insurance industry to implement any mandate requiring the coverage of children with Autism.
- Autism should not be legislatively excluded from insurance coverage, but a requirement of coverage for Autism should not be imposed either.

Dr. Lew Kinkad, Medical Director, Anthem addressed the Commission with regard to the coverage of children with Autism. Dr. Kinkad testified to the following:

- Three directors and several onsite consultants determine what conditions will be covered at Anthem.
- Anthem can only provide payment for covered services.
- Medical policies are based on scientific evidence.
- Medication has to be on the market for at least six months in order to be considered for coverage.
- Anthem looks at the risk of a drug treatment to patients when deciding on prospective coverage.

V. Indiana Department of Insurance

Sally McCarty, Commissioner, Indiana Department of Insurance gave a brief overview of the Department's function. Ms. McCarty testified to the following:

- There are approximately 1,800 insurance companies in Indiana of which approximately 500 are associated with health insurance.
- The Indiana Department of Insurance reviews the financial solvency of insurance companies, and ensures that all policy forms comply with State law.
- The Indiana Department of Insurance also investigates consumer complaints.
- Although health insurance is a private contract driven by the consumer, contracts have to be enforced as written by a separate entity such as the Indiana Department of Insurance.
- Contract clauses cannot be taken out of a policy simply due to high costs.

VI. Autism as a Neurobiological Disorder

Leah M. Helvering, Associate Senior Biologist, Eli Lilly and Company addressed the Commission regarding Autism as a neurobiological disorder by testifying to the following:

Scientific Literature

- Vast amounts of scientific literature clearly define Autism as a neurobiological disorder characterized by disturbances in 1) social relatedness; 2) communication; and 3) routines and interests.
- It is widely accepted in the scientific community that Autism is neurobiological in origin.

Autism as a Disease

- Just as Juvenile Diabetes is a disease of the pancreas and can be treated with molecules like insulin; Autism is a disease of the brain which has an early onset (defined as before the age of 3 years) and can respond to various types of pharmacological molecules.
- Both Diabetes and Autism are life-long diseases, but the symptoms of each can be effectively reduced with treatment.

- In fact, the National Institute of Health funds research on pharmacologic intervention in Autism, and there are several US patents issued to pharmaceutical companies which provide evidence that Autism is viewed as a treatable neurobiological disorder.

Early Intervention

- Early intervention is the key to the treatment of Autism.
- While it is known that most childhood disabilities can be improved with the earliest possible intervention, this is especially true for the autistic child.

Social Interaction

- Autism is the only disability that causes a deficit in social interaction. As a result these children are unable to benefit from the stimuli of their environment.
- It is well documented that autistic children who receive one-on-one intervention early in life can learn to attend to their environment, and begin to learn from other people in typical settings.

Brain Plasticity

- Neurons are activated in the brain as information is processed.
- Near the age of 10 years the brain shifts from rapidly acquiring new synapses to undergoing a process of "remodeling" where un-activated neurons are actually lost.
- If autistic children do not receive one-on-one intervention to achieve stimulation of neurons, those neurons will actually be lost during the remodeling process.
- There is a narrow window of opportunity to make lasting changes in an autistic child's brain.

Cost Benefit

- Indiana has nearly 1,200 autistic children between three and nine years of age.
- A recent cost benefit study from Ohio states that a savings of \$1.6M to \$2M can be realized over the life-time of each autistic child who receives three years of average early intensive behavioral intervention.

VII. Public Testimony

At this time, the Chair allowed public testimony, and asked Representative Alderman to finish chairing the Commission due to a prior engagement. Interested parents as well as representatives from several organizations addressed the Commission regarding the agenda items. The following entities were either discussed or represented during this time: 1) Paralyzed Hoosier Veterans; 2) State of Connecticut; 3) State of Kentucky; 4) Insurance Institute of Indiana; 5) Anthem; and 6) Indiana Department of Insurance.

During public testimony, handouts were presented by Penny Githens, Bloomington; and Linda Simers, Paralyzed Hoosier Veterans covering information ranging from neurologically-based conditions covered by health insurance to waiver and service provider funding (Exhibits #4 and 5).

VIII. Commission Discussion

Insurance Coverage of Individuals with Autism

The testimonies by representatives of the Insurance Institute of Indiana, and Anthem generated Commission discussion regarding the following topics: 1) mandates to offer coverage of individuals

with Autism; 2) market options for Autism; 3) criteria for coverage of other neurological disorders; 4) federal matching funds for respite care and day services; 5) oversight responsibilities regarding mandates; and 6) customer choice.

During Commission discussion, David Certo of the Insurance Institute of Indiana was asked to provide the Commission with a list of 24 mandates with which the insurance industry must comply, and a cost analysis of benefit levels with regard to policies that cover Autism. In addition, FSSA indicated that it would gather information regarding federal matching funds for respite care and day services.

There being no further business, the acting Chair adjourned the meeting at approximately 1:00.